

No. 7408

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**ALGERIA, BURUNDI, CAMEROON, CENTRAL AFRICAN  
REPUBLIC, CONGO (BRAZZAVILLE), etc.**

**Final Act of the Conference of Finance Ministers on the  
Establishment of an African Development Bank (with  
attached resolutions). Done at Khartoum, on 4 August  
1963**

**Agreement (with annexes and Memorandum on the inter-  
pretation of article 65 of the Agreement) establishing  
the African Development Bank. Done at Khartoum,  
on 4 August 1963**

*Official texts: English and French.*

*Registered ex officio on 10 September 1964.*

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**ALGÉRIE, BURUNDI, CAMEROUN, RÉPUBLIQUE  
CENTRAFRICAINE, CONGO (BRAZZAVILLE), etc.**

**Acte final de la Conférence des Ministres des finances sur  
la création d'une Banque africaine de développement  
(avec résolutions en annexe). Fait à Khartoum, le  
4 août 1963**

**Accord (avec annexes et Mémorandum sur l'interprétation  
de l'article 65 de l'Accord) portant création de la  
Banque africaine de développement. Fait à Khartoum,  
le 4 août 1963**

*Textes officiels anglais et français.*

*Enregistrés d'office le 10 septembre 1964.*

No. 7408. FINAL ACT OF THE CONFERENCE OF FINANCE MINISTERS ON THE ESTABLISHMENT OF AN AFRICAN DEVELOPMENT BANK. DONE AT KHARTOUM, ON 4 AUGUST 1963

I. The Conference of Finance Ministers on the Establishment of an African Development Bank, convened by the Executive Secretary of the United Nations Economic Commission for Africa in pursuance of resolution 52 (IV)<sup>1</sup> of that Commission, met in Khartoum, Sudan, from 31 July to 4 August 1963.

II. The following representatives took part in the Conference :

S.E. Mr. Lakhdar Brahimi . . . . .Algeria  
 S.E. Mr. F. Bitariho . . . . .Burundi  
 S.E. Mr. C. Onana Awana . . . . .Cameroon  
 S.E. Mr. Bornou . . . . .Central African Republic  
 S.E. Mr. B. Pircolossou . . . . .Chad  
 S.E. Mr. B. Bouiti . . . . .Congo (Brazzaville)  
 S.E. Mr. C. Kamitatu . . . . .Congo (Léopoldville)  
 S.E. Mr. Tokpanou . . . . .Dahomey  
 H.E. Mr. Yilma Deressa . . . . .Ethiopia  
 S.E. Mr. Anguilé . . . . .Gabon  
 H.E. Mr. F. K. D. Goka . . . . .Ghana  
 S.E. Mr. Elhady Diawadou . . . . .Guinea  
 S.E. Mr. J. B. Mockey . . . . .Ivory Coast  
 H.E. Mr. J. Gichuru . . . . .Kenya  
 H.E. Mr. C. D. Sherman . . . . .Liberia  
 Sayed Aly Jumaa Mouzughi . . . . .Libya  
 Mr. R. Ralison . . . . .Madagascar  
 S.E. Mr. J. M. Koné . . . . .Mali  
 S.E. Mr. Mohamed Lemine Ould  
   Hammoni . . . . .Mauritania  
 H.E. Mr. H. E. Walter . . . . .Mauritius  
 S.E. Mr. Ahmed Osman . . . . .Morocco  
 S.E. Mr. Courmo Barcomuguo . . . . .Niger  
 Chief Festus Sam Okotie-Eboh . . . . .Nigeria  
 Mr. C. G. Geasley . . . . .Federation of Rhodesia and Nyasaland  
 S.E. Mr. A. Peytavin . . . . .Senegal  
 H.E. Mr. Maigore Kallon . . . . .Sierra Leone

<sup>1</sup> United Nations, *Official Records of the Economic and Social Council, Thirty-Fourth Session, Supplement No. 10 (E/3586, E/CN.14/168)*, p. 44.

H.E. Mr. Abdulcadir Mohamed  
 Aden.....Somalia  
 H.E. Mr. Abdel Magid Ahmed .Sudan  
 H.E. Mr. P. Bomani .....Tanganyika  
 S.E. Mr. Ahmed Ben Salah ...Tunisia  
 H.E. Mr. Amos Kalule Sempa .Uganda  
 S.E. Mr. Ahmed Zindou .....United Arab Republic  
 Sheikh Juma Aley el Abrawy ...Zanzibar

The following observers attended the Conference :

M. J. Lecomte .....Belgium  
 H.E. Dr. Jaromir Vrla .....Czechoslovakia  
 Dr. Siegfried Boettcher .....Federal Republic of Germany  
 M. A. Georges .....France  
 H.E. Mr. D. S. K. Hosla .....India  
 Mr. A. Girace .....Italy  
 H.E. Mr. Shigeru Nakamura ...Japan  
 H.E. Dr. J. C. Kruisheer Netherlands  
 H.E. Mr. S. A. A. K. Durrani .Pakistan  
 M. E. Sutter .....Switzerland  
 Mr. P. Kettis.....Sweden  
 Mr. A. R. Walmsley .....United Kingdom of Great Britain and  
 Northern Ireland  
 H.E. Mr. W. M. Rountree ...United States of America  
 Mr. A. S. Maklakov .....Union of Soviet Socialist Republics

H.E. Mr. I. Njegovan .....Yugoslavia

The following observers from international organizations and institutions  
 attended the Conference :

Mr. S. V. Desai .....Afro-Asian Organization for Economic  
 Co-operation  
 Mr. K. H. Drechsler .....European Investment Bank  
 Mr. Baba Kassé .....Commission for Technical Co-operation  
 in Africa  
 Mr. M. Schaeffer .....European Economic Community  
 Mr. Angelo De Tuddo .....Food and Agriculture Organization of the  
 United Nations  
 Mr. F. Herrera .....Inter-American Development Bank  
 Mr. G. El Emary .....International Bank for Reconstruction and  
 Development  
 H.E. Mr. Abdel Khalek Hassouna League of Arab States

- Mr. A. Foalem . . . . . African-Malagasy Organization for Economic Cooperation
- Mr. Ghufran Faruqi . . . . . United Nations Special Fund and Technical Assistance Operations
- Mr. D. Vieyra . . . . . United Nations Educational, Scientific and Cultural Organization
- Dr. H. B. I. Russell . . . . . World Health Organization

The Executive Secretary of the United Nations Economic Commission for Africa acted as the Secretary of the Conference.

III. The Conference approved the attached text of the Agreement<sup>1</sup> establishing the African Development Bank and opened it for signature on 4 August 1963. The Executive Secretary of the said Commission was authorized to attach hereto a Memorandum<sup>2</sup> on the interpretation of article 65 of that Agreement.

The representatives listed in the annex<sup>3</sup> hereto, their powers having been found by the Conference in good and due form, signed the said Agreement at the closing session of the Conference.

IV. The Conference further adopted the following resolutions, the text of which is attached :

1. Rules of procedure of the Conference;<sup>4</sup>
2. Appointment and duties of the Trustee of the Agreement establishing the African Development Bank;<sup>5</sup>
3. Preparatory work for the establishment of the African Development Bank;<sup>6</sup>
4. Accession to the Agreement establishing the African Development Bank by the African Associate Members of the Economic Commission for Africa;<sup>7</sup>
5. The African Development Bank and the Government of the Republic of South Africa;<sup>7</sup>
6. Payment of the initial subscription of Congo (Leopoldville) to the African Development Bank.<sup>7</sup>

V. As regards resolution 2 referred to in the preceding paragraph, the Executive Secretary of the Economic Commission for Africa stated, on behalf

<sup>1</sup> See p. 46 of this volume.

<sup>2</sup> See p. 124 of this volume.

<sup>3</sup> Not reproduced herein; for the names of representatives who signed the Agreement at the closing session of the Conference, see pp. 118 to 123 of this Volume.

<sup>4</sup> See p. 18 of this volume.

<sup>5</sup> See p. 38 of this volume.

<sup>6</sup> See p. 42 of this volume.

<sup>7</sup> See p. 44 of this volume.

of the Secretary-General of the United Nations, that the latter would take such action and perform such duties as are provided for the Trustee in paragraph (5) of article 7 and paragraph (1) of article 66 of the Agreement establishing the African Development Bank and in that resolution. As regards resolution 3, referred to in paragraph IV, he declared that, subject to the availability of additional resources, he would comply with the request contained in that resolution.

IN WITNESS WHEREOF, the undersigned, duly authorized by their respective Governments, have signed the present Final Act.

DONE in Khartoum, this fourth day of August one thousand nine hundred and sixty-three, in the English and French languages, both texts being equally authentic, in a single copy which shall remain deposited with the Secretary-General of the United Nations, who shall communicate certified copies thereof to the Signatory States.

République Algérienne Démocratique et Populaire :

[*Democratic and Popular Republic of Algeria*]

Lakhdar BRAHIMI

Royaume du Burundi :

[*Kingdom of Burundi*]

Ferdinand BITARIHO

République Fédérale du Cameroun :

[*Federal Republic of Cameroon*]

Alfred NGANDO-BLACK

République Centrafricaine :

[*Central African Republic*]

Charles BORNOU

République du Tchad :

[*Republic of Chad*]

République du Congo (Brazzaville) :

[*Republic of the Congo (Brazzaville)*]

République du Congo (Léopoldville) :

[*Republic of the Congo (Leopoldville)*]

Cléophas KAMITATU

République du Dahomey :

[*Republic of Dahomey*]

Empire of Ethiopia :

[*Empire d'Éthiopie*]

Yawand-Wossen MANGASHA

République Gabonaise :

[*Gabon Republic*]

Republic of Ghana :

[*République du Ghana*]

F. K. D. GOKA

République de Guinée :

[*Republic of Guinea*]

Elhady DIAWADOU

République de la Côte-d'Ivoire :

[*Republic of the Ivory Coast*]

Jean-Baptiste MOCKEY

Kenya :

James Samuel GICHURU

Republic of Liberia :

[*République du Libéria*]

Romeo HORTON

Kingdom of Libya :

[*Royaume de Libye*]

Aly Jumaa MOUZUGHI

République Malgache :

[*Malagasy Republic*]

République du Mali :

[*Republic of Mali*]

Jean-Marie KONÉ

République Islamique de Mauritanie :

[*Islamic Republic of Mauritania*]

Mohamed LEMINE OULD HAMMONI

MAURITIUS :

[*Ile Maurice*]

Harold WALTER



Royaume du Maroc :

[*Kingdom of Morocco*]

Ahmed OSMAN

République du Niger :

[*Republic of the Niger*]

Federation of Nigeria :

[*Fédération de Nigéria*]

Festus Sam OKOTIE-EBOH

Federation of Rhodesia and Nyasaland :

[*Fédération de la Rhodésie et du Nyassaland*]

C. G. GEASLEY

République du Rwanda :

[*Rwandese Republic*]

République du Sénégal :

[*Republic of Senegal*]

Sierra Leone :

Maigore KALLON

Repubblica Somala :

[*Somali Republic*]

[*République somalie*]

Mohamed Scek AHMED MUSSA

Republic of the Sudan :

[*République du Soudan*]

Abdel MAGID AHMED

Republic of Tanganyika :

[*République du Tanganyika*]

P. BOMANI

République du Togo :

[*Togoïese Republic*]

République Tunisienne :

[*Republic of Tunisia*]

Ahmed BEN SALAH

Uganda :

[*Ouganda*]

Amos KALULE SEMPA

République Arabe Unie :

[*United Arab Republic*]

Ahmed ZINDOU

République de Haute-Volta :

[*Republic of the Upper Volta*]

Zanzibar :

Juma Aley EL ABRAWY

*RULES OF PROCEDURE OF THE CONFERENCE*

## RESOLUTION 1 ADOPTED BY THE CONFERENCE AT ITS FIRST PLENARY SESSION ON 31 JULY 1963

*The Conference,*

*On the recommendation adopted at its Preparatory Meeting,*

*Agrees that its proceedings shall be governed by the rules of procedure set out in the annex to this resolution.*

*ANNEX*

## RULES OF PROCEDURE

## CHAPTER I

## REPRESENTATION AND CREDENTIALS

*Rule 1*

Each State shall be represented at the Conference of Finance Ministers on the Establishment of an African Development Bank (hereinafter called the "Conference") by one representative and such alternate representatives, advisers and experts as the Government of that State may deem it necessary. When absent the representative shall be replaced by an alternate representative.

*Rule 2*

(a) The credentials and full powers of representatives and the names of alternate representatives, experts and observers shall be submitted to the Secretary of the Conference upon their arrival, if possible, not later than 24 hours after the opening of the Conference.

(b) The credentials and full powers shall be issued either by the Head of State or Government, or by the Minister for Foreign Affairs.

(c) The Secretary of the Conference shall submit the credentials and full powers to the Steering Committee.

*Rule 3*

Pending a decision of the Conference on their credentials, representatives, alternate representatives and experts of States invited to the Conference shall be entitled provisionally to participate in the Conference.

*Rule 4*

(a) The United Nations and its specialized agencies shall be entitled to be represented at meetings of the Conference and, through their representatives, to participate, without vote, in the discussion.

(b) The Conference may invite observers from other international organizations or institutions concerned with the development of Africa or other under-developed areas of the world to attend, on such conditions as it may determine, all or any of its meetings.

(c) The Conference may invite non-African Governments and institutions which have shown an interest in the establishment of an African Development Bank to be represented by an observer, on such conditions as it may determine, at all or any of its meetings.

(d) The Chairman may invite an observer to participate, without vote, in the discussion.

## CHAPTER II

### OFFICERS

#### *Rule 5*

The Conference shall, at its first meeting in plenary session, elect by an absolute majority of the States represented thereat from the representatives a Chairman of the Conference and two Vice-Chairmen.

#### *Rule 6*

The Chairman shall preside at the plenary meetings of the Conference.

#### *Rule 7*

If the Chairman is absent from a meeting or any part thereof, a Vice-Chairman shall take his place.

#### *Rule 8*

A Vice-Chairman acting as Chairman shall have the same powers and duties as the Chairman.

#### *Rule 9*

If the Chairman is unable to perform his functions, a new Chairman shall be elected.

#### *Rule 10*

The Chairman, or Vice-Chairman acting as Chairman, shall participate in the meetings of the Conference in that capacity and not as the representative of his Government. An alternate representative may represent that Government and exercise its right of vote.

#### *Rule 11*

(a) The Conference shall meet in plenary session as a Conference of Representatives.

(b) The Conference shall be organized as follows :

- (i) A Steering Committee which shall currently review the progress of the work at the Conference and consider measures designed to co-ordinate and expedite its work,

and which shall also examine the credentials and full powers submitted to it by the Secretary of the Conference; and

- (ii) A Drafting Committee which shall revise and co-ordinate the text of the Draft Agreement establishing the African Development Bank as well as draw up, revise or co-ordinate—as the case may be—the drafts of other diplomatic instruments and formal instruments and formal resolutions and recommendations to be signed' at or adopted by the Conference.

(c) In addition, the Conference and each committee may set up such working parties as it may deem will facilitate its task.

#### *Rule 12*

(a) The Steering Committee shall be composed of the Chairman of the Conference, its two Vice-Chairmen and the Chairman of the Drafting Committee.

(b) The Drafting Committee shall be composed of nine members elected by the Conference on the proposal of the Chairman.

#### *Rule 13*

Each State participating in the Conference may be represented by one person on the Drafting Committee and on any working party of which it is a member. It may assign to these bodies such alternate representatives and advisers as it may require.

#### *Rule 14*

(a) The Chairman of the Conference shall preside at meetings of the Steering Committee. In his absence, Rule 7 shall apply.

(b) The Conference shall, at its first meeting in plenary session, elect a Chairman and a Vice-Chairman for the Drafting Committee.

(c) Each working party shall elect from its members a Chairman.

(d) Before the election of the Chairman, the Executive Secretary of the United Nations Economic Commission for Africa (hereinafter called the "ECA"), or his representative, shall act as the temporary Chairman of the Conference, committees and working parties.

#### *Rule 15*

The Chairman of the body by which a working party is set up shall designate the members of that working party, subject to that body's approval.

#### *Rule 16*

(a) The committees shall report to the Conference in plenary session. A working party shall report to the body by which it was set up.

(b) Reports of committees and working parties shall, where required, call attention to the different views expressed by their members.

(c) Reports of the committees shall be referred to the Drafting Committee before their submission to the Conference if they recommend or imply the approval or signature

of a diplomatic instrument or the adoption of a formal resolution or recommendation at the Conference.

*Rule 17*

These rules of procedure shall apply to the proceedings of the committees and working parties, unless the Conference agrees otherwise in plenary session.

CHAPTER III

CONDUCT OF BUSINESS

*Rule 18*

A majority of two-thirds of the States represented on the body concerned shall constitute a quorum.

*Rule 19*

In addition to exercising the powers conferred upon him elsewhere by these rules, the Chairman shall declare the opening and closing of each plenary meeting of the Conference, shall direct the discussions at such meetings, ensure observance of these rules, accord the right to speak, put questions to the vote and announce decisions. He shall rule on points of order and, subject to these rules, shall have complete control of the proceedings and over the maintenance of order thereat. The Chairman may, in the course of the discussion, propose to the Conference the limitation of time to be allowed to speakers, the limitation of the number of times each representative may speak on any question, the closure of the list of speakers or the closure of the debate. He may also propose the suspension or the adjournment of the meeting or the adjournment of the debate on the particular subject or question under discussion.

*Rule 20*

The Chairman, in the exercise of his functions, remains under the authority of the Conference.

*Rule 21*

No person may address the Conference without having previously obtained the permission of the Chairman. Subject to rules 22 and 23, the Chairman shall call upon speakers in the order in which they signify their desire to speak. The Secretariat shall draw up a list of such speakers. The Chairman may call a speaker to order if his remarks are not relevant to the subject under discussion.

*Rule 22*

The Chairman of a committee or working party may be accorded precedence for the purpose of explaining the conclusion arrived at by his committee or working party.

*Rule 23*

During the discussion of any matter, a representative may rise to a point of order, and that point of order shall be immediately decided by the Chairman in accordance with these rules of procedure. A representative may appeal against any ruling of the Chairman. The appeal shall be immediately put to vote and the Chairman's ruling shall stand unless overruled by a majority of the representatives present and voting. A representative rising to a point of order may not speak on the substance of the matter under discussion.

*Rule 24*

The Conference may limit the time to be allowed to each speaker and the number of times each representative may speak on any question. When the debate is limited and a representative has spoken his allotted time, the Chairman shall call him to order without delay.

*Rule 25*

During the course of a debate the Chairman may announce the list of speakers and, with the consent of the Conference, declare the list closed. He may, however, accord the right to reply to any representative if a speech delivered after he has declared the list closed makes this desirable.

*Rule 26*

During the discussion of any matter, a representative may move the adjournment of the debate on the particular subject or question under discussion. In addition to the proposer of the motion, two representatives may speak in favour of, and two against it, after which the motion shall immediately be put to the vote. The Chairman may limit the time to be allowed to speakers under this rule.

*Rule 27*

A representative may at any time move the closure of the debate on the particular subject or question under discussion, whether or not any other representative has signified his wish to speak. Permission to speak on the closure of the debate shall be accorded only to two speakers opposing the closure, after which the motion shall be immediately put to the vote. If the Conference is in favour of the closure, the Chairman shall declare the closure of the debate. The Chairman may limit the time to be allowed to speakers under this rule.

*Rule 28*

During the discussion of any matter, a representative may move the suspension or the adjournment of the meeting. Such motions shall not be debated, but shall be immediately put to the vote. The Chairman may limit the time to be allowed to the speaker moving the suspension or adjournment of the meeting.



*Rule 29*

Subject to rule 23, the following motions shall have precedence in the following order over all other proposals or motions before the meeting :

- (a) To suspend the meeting;
  - (b) To adjourn the meeting;
  - (c) To adjourn the debate on the particular subject or question under discussion;
- and
- (d) For the closure of the debate on the particular subject or question under discussion.

*Rule 30*

Other proposals and amendments thereto shall normally be introduced in writing and handed to the Secretary of the Conference, who shall circulate copies to delegations. As a general rule, no proposal shall be discussed or put to the vote at any meeting of the Conference unless copies of it have been circulated to all delegations not later than the day preceding the meeting. The Chairman may, however, permit the discussion and consideration of amendments as to substance, or motions as to procedure, even though these amendments or motions have not been circulated or have been circulated only on the same day.

*Rule 31*

Subject to rule 29, any motion calling for a decision on the competence of the Conference to discuss any matter or to adopt a proposal or an amendment submitted to it shall be put to the vote before the matter is discussed or a vote is taken on the proposal or amendment in question.

*Rule 32*

A motion may be withdrawn by its proposer at any time before voting on it has commenced, provided that the motion has not been amended by other representatives than the proposer. A motion which has thus been withdrawn may be reintroduced by any representative.

*Rule 33*

When a proposal has been adopted or rejected it may not be reconsidered unless the Conference, by a two-thirds majority of the representatives present and voting, so decides. Permission to speak on the motion to reconsider shall be accorded only to two speakers opposing the motion after which it shall be immediately put to the vote.

## CHAPTER IV

## VOTING

*Rule 34*

Each State represented at the Conference shall have one vote.

*Rule 35*

(a) Decisions of the Conference shall be adopted by a majority of the representatives present and voting, unless the Conference decides otherwise.

(b) For the purpose of these rules, the phrase "representatives present and voting" means representatives casting an affirmative or negative vote. Representatives who abstain from voting shall be considered as not voting.

*Rule 36*

The Conference shall normally vote by show of hands or by standing, but any representative may request a roll-call or a secret ballot. The roll-call shall be taken in the English alphabetical order of the names of the delegations at the Conference beginning with the delegation whose name is drawn by lot by the Chairman.

*Rule 37*

After the Chairman has announced the beginning of the vote, no representative shall interrupt the vote except on a point of order in connexion with the actual conduct of voting. The Chairman may permit representatives to explain their votes either before or after the voting. The Chairman may limit the time to be allowed for such explanations.

*Rule 38*

A representative may move that parts of a proposal or of an amendment shall be voted on separately. If objection is made to the request for division, the motion for division shall be voted upon. Permission to speak on the motion for division shall be given only to two speakers in favour and two speakers against. If the motion for division is carried, those parts of the proposal or of the amendment which are subsequently approved shall be put to the vote as a whole. If all operative parts of the proposal or of the amendment have been rejected, the proposal or the amendment shall be considered to have been rejected as a whole.

*Rule 39*

When an amendment is moved to a proposal, the amendment shall be voted on first. When two or more amendments are moved to a proposal, the Conference shall first vote on the amendment furthest removed in substance from the original proposal and then on the amendment next furthest removed therefrom, and so on, until all the amendments have been put to the vote. When, however, the adoption of one amendment necessarily implies the rejection of another amendment, the latter amendment shall

not be put to the vote. If one or more amendments are adopted, the amended proposal shall then be voted upon. A motion is considered an amendment to a proposal if it merely adds to, deletes from or revises part of that proposal.

*Rule 40*

If two or more proposals relate to the same question, the Conference shall, unless it decides otherwise, vote on the proposals in the order in which they have been submitted. The Conference may, after voting on a proposal, decide whether to vote on the next proposal.

*Rule 41*

If, when one person or one delegation is to be elected, no candidate obtains in the first ballot the majority required, a second ballot shall be taken, which shall be restricted to the two candidates obtaining the largest number of votes. If in the second ballot the votes are equally divided, the Chairman shall decide between the candidates by drawing lots.

In the case of a tie in the first ballot among the candidates obtaining the second largest number of votes, a special ballot shall be held among them for the purpose of reducing the number of candidates to two. In the case of a tie among three or more candidates obtaining the largest number of votes in the first ballot, a second ballot shall be held among them, and if a tie then results among more than two candidates, the number shall be reduced to two by lot and a further ballot held in accordance with the first paragraph of this rule.

*Rule 42*

When two or more elective places are to be filled at one time under the same conditions, those candidates obtaining a majority in the first ballot shall be elected.

If the number of candidates obtaining such majority is less than the number of places to be filled, there shall be held additional ballots to fill the remaining places. The voting will be restricted to the candidates obtaining the greatest number of votes in the previous ballot, who shall number not more than twice the places remaining to be filled. However, in the case of a tie between a greater number of unsuccessful candidates, a special ballot shall be held for the purpose of reducing the number of candidates to the required number.

If three restricted ballots are inconclusive, unrestricted ballots shall follow in which votes may be cast for any eligible person or member. If three such unrestricted ballots are inconclusive, the next three ballots (subject to exception in the case similar to that of the tie mentioned at the end of the previous paragraph of this rule) shall be restricted to the candidates obtaining the greatest number of votes in the third of the unrestricted ballots. The number of such candidates shall not be more than twice the places remaining to be filled.

The following three ballots thereafter shall be unrestricted and so on, until all the places are filled.

#### CHAPTER V

#### THE SECRETARY OF THE CONFERENCE AND THE SECRETARIAT

##### *Rule 43*

The Executive Secretary of the ECA or his representative shall act as the Secretary of the Conference and be responsible for the necessary secretarial arrangements therefor. In carrying out his functions he shall act on behalf of the Secretary-General of the United Nations.

##### *Rule 44*

The Secretary of the Conference shall attend or be represented at its meetings and the meetings of its committees and working parties with the right to participate, without vote, in discussion and make proposals.

##### *Rule 45*

(a) As regards his functions, the Secretary of the Conference shall be guided, where required and in so far as they are applicable, by rules 22, 23, 27 and 28 of the rules of procedure of the ECA.

(b) Upon the close of the Conference, the Secretary of the Conference shall, as Executive Secretary of the ECA, submit to the latter, at its next session, a detailed report on the progress and results of the Conference.

(c) Subject to rule 43, second sentence, the Secretary of the Conference shall, after its close, assist in giving proper and prompt effect to the decisions of the Conference.

##### *Rule 46*

The Secretariat shall receive, translate, reproduce and distribute documents, reports and resolutions of the Conference; interpret speeches made at meetings; prepare records of plenary meetings; reproduce reports and generally perform all other work which the Conference may require.

#### CHAPTER VI

#### LANGUAGES

##### *Rule 47*

(a) English and French shall be the working languages of the Conference.

(b) Speeches made in either of the working languages shall be interpreted into the other working language.

(c) A participant may make a speech in a language other than the working languages. In this case he shall provide for the interpretation into one of the working languages.

(d) Records of the plenary sessions, reports of the Conference, drafts of diplomatic instruments and the formal resolutions and recommendations adopted by the Conference shall be made available in the two working languages.

#### CHAPTER VII

##### MEETINGS

###### *Rule 48*

Unless the Conference agrees otherwise in plenary session, its meetings shall be held in private. Meetings of committees and working parties shall be held in private.

###### *Rule 49*

In the course of the Conference, the Secretary of the Conference, in consultation with the Chairman of the Conference, may issue *communiqués* on the progress of its work. At the close of the Conference, he shall, in consultation with the Chairman of the Conference, issue a *communiqué* summarizing the results of the Conference.

#### CHAPTER VIII

##### RECORDS AND DIPLOMATIC INSTRUMENTS

###### *Rule 50*

The Secretary of the Conference shall keep records of the plenary sessions; of the decisions and reports adopted at its plenary sessions; and of all documents prepared and adopted by the committees and working parties. They shall be transmitted to the representatives and observers who participated in the meetings concerned as soon as possible. The recipients shall inform the Secretary of the Conference within the time fixed to this effect of any changes they desire to make.

###### *Rule 51*

(a) The Final Act of the Conference shall list the States, international organizations and institutions represented at the Conference; set out the names of the representatives and observers by whom they were represented; and enumerate the diplomatic instruments approved or signed at, and the formal resolutions and recommendations adopted by the Conference, the text of such instruments, resolutions and recommendations being attached to the Final Act.

(b) The draft of the Final Act shall be prepared by the Secretary of the Conference as its work develops and shall be approved by the Drafting Committee.

(c) The original of the Final Act shall be signed by the representatives at the closing meeting of the Conference and shall be deposited by the Secretary of the Conference with the Secretary-General of the United Nations, who shall communicate certified copies thereof to the signatory States.

#### *Rule 52*

Diplomatic instruments negotiated at the Conference for signature thereat shall be signed at the closing meeting of the Conference after the full powers of the representatives of the signatory States have been found by the Conference to be in good and due form.

### CHAPTER IX

#### FINAL PROVISIONS

#### *Rule 53*

(a) These rules of procedure may be amended or suspended by virtue of a decision of the Conference adopted in plenary session by an absolute majority of the States represented at the Conference.

(b) The rules of procedure shall not be amended until the Drafting Committee has reported on the proposed amendment.

(c) A rule may be suspended provided that 24 hours' notice of the proposal for the suspension has been given. The notice may be waived if no representative objects.

### *APPOINTMENT AND DUTIES OF THE TRUSTEE FOR THE AGREEMENT ESTABLISHING THE AFRICAN DEVELOPMENT BANK*

#### RESOLUTION 2 ADOPTED BY THE CONFERENCE AT ITS FINAL PLENARY SESSION ON 4 AUGUST 1963

##### *The Conference,*

*Considering* that paragraph (1) of article 66 of the Agreement provides for the appointment of a Trustee for the purposes defined in that paragraph and in paragraph (5) of article 7 of the Agreement,

*Taking note* of the declaration made, on behalf of the Secretary-General of the United Nations, by the Executive Secretary of its Economic Commission for Africa at this Conference, stating that the Secretary-General would take such action and perform such duties as are provided for the Trustee in the said articles of the Agreement and in this resolution,

*Considering* the need to give prompt effect to this resolution,

*Has decided* as follows :

1. The Secretary-General of the United Nations (hereinafter called the "Trustee") is hereby appointed Trustee for the purposes defined in paragraph (5) of article 7 and paragraph (1) of article 66 of the Agreement;

2. (a) The Trustee shall at all times keep all gold and currencies received from the signatories of the Agreement in pursuance of the provisions of article 7 thereof as well as any income accruing thereto (such currencies and income, in their entirety, hereinafter called the "funds received") entirely separate and apart from all other assets and accounts in a special account designated the "United Nations African Development Bank Trust Account";

(b) The Trustee shall not hold, deposit, use, commit, invest, transfer or otherwise dispose of the gold or funds received or any part thereof except as is provided in this resolution;

(c) The Trustee may :

- (i) Deposit the funds received or any part thereof in a deposit account designated the "African Development Bank Deposit Account" for a period not exceeding six months subject to interest and to arrangements whereby he may withdraw the funds so deposited or any part thereof at any time upon a ten days' call notice; and
- (ii) Invest the funds received or any part thereof in first class government bonds denominated and payable in a convertible currency and maturing within a period of six months from the date of investment;

3. The Trustee shall convene the first meeting of the Board of Governors of the African Development Bank (hereinafter called the "Bank") to take place within thirty days from the date on which the Agreement enters into force;

4. The Trustee shall transfer the gold and funds received to the Bank not later than on the date of the first meeting of its Board of Governors and shall, at the same time, transmit to that Board a statement of accounts relating to the gold and funds received, audited in accordance with the auditing procedures of the United Nations;

5. If the Agreement has not entered into force by 1st July 1965 the Trustee shall, not later than on 15 July 1965, return all gold and currencies to the signatories of the Agreement from whom they were received in pursuance of the provisions of article 7 thereof and distribute any income accrued from those currencies in proportion to the amounts thus received, taking into account the period for which each amount bore income. At the same time, the Trustee shall transmit to the said signatories a statement of accounts relating to the gold and funds received, audited in accordance with the auditing procedures of the United Nations.

PREPARATORY WORK FOR THE ESTABLISHMENT OF THE AFRICAN  
DEVELOPMENT BANK

RESOLUTION 3 ADOPTED BY THE CONFERENCE AT ITS FINAL PLENARY  
SESSION ON 4 AUGUST 1963

*The Conference,*

Considering the Agreement establishing the African Development Bank and the time-limit set for the ratification as provided under article 64 of that Agreement,

In order to facilitate the rapid establishment of that Bank and pending the ratification of that Agreement,

1. Requests the Committee of Experts of Nine Members established by resolution 52 (IV)<sup>1</sup> of the Economic Commission for Africa to carry out the following functions :

(a) To establish and maintain contact with the signatories of the Agreement in order to advance its ratification, and to consult with the authorities in African countries which have not signed the Agreement concerning the possibility of their signature and ratification thereof or accession thereto;

(b) To devise, initiate, implement or supervise administrative arrangements or measures preparatory to the actual establishment of the headquarters of that Bank or relating to its communications or other services, installations and facilities, to its appointment procedure or to housing its staff;

(c) To draft for that Bank its headquarters agreement, loan and guarantee regulations, arbitration procedures, general by-laws, agreements for its co-operation with other international, regional or national organizations and institutions, its staff rules and regulations as well as other legal instruments or arrangements which may promote or advance an early establishment of that Bank and the effective commencement of its operations and other activities;

(d) To discuss, study and prepare schemes for technical assistance which that Bank may require upon its inception; and

(e) To devise, initiate, prepare and implement such other arrangements or measures as may be necessary or desirable in furtherance of its purposes, consistent with the provisions of this resolution;

2. Requests the Executive Secretary of the Economic Commission for Africa to afford all the assistance required by the said Committee of Nine for carrying out the functions defined above; and

3. Having been informed by the Executive Secretary that the cost of the preparatory work is about \$US 20,000 to 30,000 a month which cannot be defrayed by the present budget of the Economic Commission for Africa, recommends that their respective Governments contribute to the cost on the basis of the assessments which shall be made by the Executive Secretary in consultation with the Committee of Nine.

<sup>1</sup> See footnote 1, p. 4 of this volume.



*ACCESSION TO THE AGREEMENT ESTABLISHING THE AFRICAN  
DEVELOPMENT BANK BY THE AFRICAN ASSOCIATE MEMBERS  
OF THE ECONOMIC COMMISSION FOR AFRICA*

RESOLUTION 4 ADOPTED BY THE CONFERENCE AT ITS FINAL PLENARY  
SESSION ON 4 AUGUST 1963

*The Conference*

*Agrees* that the African Associate Members of the Economic Commission for Africa may, if they so desire, accede to the Agreement establishing the African Development Bank when they acquire the status of an independent State on terms which will be no less favourable in all respects than the terms on which they could have become members of the African Development Bank at any earlier time if their disabilities had not existed.

*THE AFRICAN DEVELOPMENT BANK AND THE GOVERNMENT OF THE  
REPUBLIC OF SOUTH AFRICA*

RESOLUTION 5 ADOPTED BY THE CONFERENCE AT ITS FINAL PLENARY  
SESSION ON 4 AUGUST 1963

*The Conference*

*Agrees* unanimously that, notwithstanding the provisions of article 3 of the Agreement establishing the African Development Bank, in view of the *apartheid* policies pursued by the Government of the Republic of South Africa and the universal condemnation of such policies throughout the civilized world, it should not be qualified for membership of that Bank until its Government has terminated its *apartheid* policies.

*PAYMENT OF THE INITIAL SUBSCRIPTION OF CONGO (LEOPOLDVILLE)  
TO THE AFRICAN DEVELOPMENT BANK*

RESOLUTION 6 ADOPTED BY THE CONFERENCE AT ITS FINAL PLENARY  
SESSION ON 4 AUGUST 1963

*The Conference*

1. *Takes note* that the Representative of the Government of Congo (Leopoldville) has drawn its attention to the present economic difficulties of his country and has requested special terms that would permit his Government to make smaller payments during the first years and to distribute these payments over ten years instead of the period provided in article 7 of the Agreement establishing the African Development Bank;

2. *Decides* that this question should be submitted to the Board of Governors of the Bank which will examine it in agreement with the authorities of Congo (Leopoldville).

AGREEMENT<sup>1</sup> ESTABLISHING THE AFRICAN DEVELOPMENT BANK. DONE AT KHARTOUM, ON 4 AUGUST 1963

*The Governments* on whose behalf this Agreement is signed,

*Determined* to strengthen African solidarity by means of economic co-operation between African States,

*Considering* the necessity of accelerating the development of the extensive human and natural resources of Africa in order to stimulate economic development and social progress in that region,

*Realizing* the importance of co-ordinating national plans of economic and social development for the promotion of the harmonious growth of African economies as a whole and the expansion of African foreign trade and, in particular, inter-African trade,

*Recognizing* that the establishment of a financial institution common to all African countries would serve these ends,

*Have agreed* to establish hereby the African Development Bank (hereinafter called the "Bank") which shall be governed by the following provisions :

<sup>1</sup> In accordance with article 65 of the above-mentioned Agreement and the Memorandum on the interpretation of that article, attached to the Final Act of the Conference of Finance Ministers on the Establishment of an African Development Bank, the Agreement entered into force on 10 September 1964, upon the deposit with the Secretary-General of the United Nations of instruments of ratification by the Governments of twenty signatory States, whose initial subscriptions, as set forth in annex A to this Agreement, in aggregate comprise not less than sixty-five per cent of the authorized capital stock of the Bank. Following is a list of these States, showing the dates of deposit of the instruments of ratification :

<i>State</i>	<i>Date of deposit of instrument of ratification</i>	<i>State</i>	<i>Date of deposit of instrument of ratification</i>
Algeria . . . . .	10 September 1964	Mali . . . . .	23 April 1964
Cameroon . . . . .	7 May 1964	Mauritania . . . . .	9 September 1964
Congo (Leopoldville) . . . . .	5 June 1964	Morocco . . . . .	2 June 1964
Dahomey . . . . .	25 August 1964	Niger . . . . .	29 July 1964
Ethiopia . . . . .	14 July 1964	Nigeria . . . . .	12 March 1964
Ghana . . . . .	30 June 1964	Sierra Leone . . . . .	18 February 1964
Guinea . . . . .	21 May 1964	Sudan . . . . .	9 September 1963
Ivory Coast . . . . .	20 March 1964	Tanganyika . . . . .	27 November 1963
Kenya . . . . .	24 January 1964	Togo . . . . .	3 July 1964
Liberia . . . . .	23 June 1964	Uganda . . . . .	16 December 1963

Subsequently, the instruments of ratification were deposited by the following States, on the dates indicated :

Senegal . . . . .	11 September 1964
United Arab Republic . . . . .	14 September 1964
Upper Volta . . . . .	22 September 1964

## CHAPTER I

## PURPOSE, FUNCTIONS, MEMBERSHIP AND STRUCTURE

*Article 1*

## PURPOSE

The purpose of the Bank shall be to contribute to the economic development and social progress of its members—individually and jointly.

*Article 2*

## FUNCTIONS

(1) To implement its purpose, the Bank shall have the following functions :

(a) To use the resources at its disposal for the financing of investment projects and programmes relating to the economic and social development of its members, giving special priority to :

- (i) Projects or programmes which by their nature or scope concern several members; and
- (ii) Projects or programmes designed to make the economies of its members increasingly complementary and to bring about an orderly expansion of their foreign trade;

(b) To undertake, or participate in, the selection, study and preparation of projects, enterprises and activities contributing to such development;

(c) To mobilize and increase in Africa, and outside Africa, resources for the financing of such investment projects and programmes;

(d) Generally, to promote investment in Africa of public and private capital in projects or programmes designed to contribute to the economic development or social progress of its members;

(e) To provide such technical assistance as may be needed in Africa for the study, preparation, financing and execution of development projects or programmes; and

(f) To undertake such other activities and provide such other services as may advance its purpose.

(2) In carrying out its functions, the Bank shall seek to co-operate with national, regional and sub-regional development institutions in Africa. To the same end, it should co-operate with other international organizations pursuing a similar purpose and with other institutions concerned with the development of Africa.

(3) The Bank shall be guided in all its decisions by the provisions of articles 1 and 2 of this Agreement.

*Article 3*

## MEMBERSHIP AND GEOGRAPHICAL AREA

(1) Any African country which has the status of an independent State may become a member of the Bank. It shall acquire membership in accordance with paragraph (1) or paragraph (2) of article 64 of this Agreement.

(2) The geographical area to which the membership and development activities of the Bank may extend (referred to in this Agreement as "Africa" or "African", as the case may be) shall comprise the continent of Africa and African islands.

*Article 4*

## STRUCTURE

The Bank shall have a Board of Governors, a Board of Directors, a President, at least one Vice-President and such other officers and staff to perform such duties as the Bank may determine.

## CHAPTER II

## CAPITAL

*Article 5*

## AUTHORIZED CAPITAL

(1) (a) The authorized capital stock of the Bank shall be 250,000,000 units of account. It shall be divided into 25,000 shares of a par value of 10,000 units of account each share, which shall be available for subscription by members.

(b) The value of the unit of account shall be 0.88867088 gramme of fine gold.

(2) The authorized capital stock shall be divided into paid-up shares and callable shares. The equivalent of 125,000,000 units of account shall be paid up, and the equivalent of 125,000,000 units of account shall be callable for the purpose defined in paragraph (4) (a) of article 7 of this Agreement.

(3) The authorized capital stock may be increased as and when the Board of Governors deems it advisable. Unless that stock is increased solely to provide for the initial subscription of a member, the decision of the Board shall be adopted by a two-thirds majority of the total number of Governors, representing not less than three-quarters of the total voting power of the members.

*Article 6*

## SUBSCRIPTION OF SHARES

(1) Each member shall initially subscribe shares of the capital stock of the Bank. The initial subscription of each member shall consist of an equal number of paid-up and callable shares. The initial number of shares to be subscribed by a State which acquires membership in accordance with paragraph (1) of article 64 of this Agreement shall be that set forth in its respect in annex A<sup>1</sup> to this Agreement, which shall form an integral part thereof. The initial number of shares to be subscribed by other members shall be determined by the Board of Governors.

(2) In the event of an increase of the capital stock for a purpose other than solely to provide for an initial subscription of a member, each member shall have the right to subscribe, on such uniform terms and conditions as the Board of Governors shall determine, a proportion of the increase of stock equivalent to the proportion which its stock theretofore subscribed bears to the total capital stock of the Bank. No member, however, shall be obligated to subscribe to any part of such increased stock.

(3) A member may request the Bank to increase its subscription on such terms and conditions as the Board of Governors may determine.

(4) Shares of stock initially subscribed by States which acquire membership in accordance with paragraph (1) of article 64 of this Agreement shall be issued at par. Other shares shall be issued at par unless the Board of Governors by a majority of the total voting power of the members decides in special circumstances to issue them on other terms.

(5) Liability on shares shall be limited to the unpaid portion of their issue price.

(6) Shares shall not be pledged nor encumbered in any manner. They shall be transferable only to the Bank.

*Article 7*

## PAYMENT OF SUBSCRIPTION

(1) (a) Payment of the amount initially subscribed to the paid-up capital stock of the Bank by a member which acquires membership in accordance with paragraph (1) of article 64 shall be made in six instalments, the first of which shall be five per cent, the second thirty-five per cent, and the remaining four instalments each fifteen per cent of that amount.

(b) The first instalment shall be paid by the Government concerned on or before the date of deposit, on its behalf, of the instrument of ratification

<sup>1</sup> See p. 114 of this volume.

or acceptance of this Agreement in accordance with paragraph (1) of article 64. The second instalment shall become due on the last day of a period of six months from the entry into force of this Agreement or on the day of the said deposit, whichever is the later day. The third instalment shall become due on the last day of a period of eighteen months from the entry into force of this Agreement. The remaining three instalments shall become due successively each on the last day of a period of one year immediately following the day on which the preceding instalment becomes due.

(2) Payments of the amounts initially subscribed by the members of the Bank to the paid-up capital stock shall be made in gold or convertible currency. The Board of Governors shall determine the mode of payment of other amounts subscribed by the members to the paid-up capital stock.

(3) The Board of Governors shall determine the dates for the payment of amounts subscribed by the members of the Bank to the paid-up capital stock to which the provisions of paragraph (1) of this article do not apply.

(4) (a) Payment of the amounts subscribed to the callable capital stock of the Bank shall be subject to call only as and when required by the Bank to meet its obligations incurred, pursuant to paragraph (1) (b) and (d) of article 14, on borrowing of funds for inclusion in its ordinary capital resources or guarantees chargeable to such resources.

(b) In the event of such calls, payment may be made at the option of the member concerned in gold, convertible currency or in the currency required to discharge the obligation of the Bank for the purpose of which the call is made.

(c) Calls on unpaid subscriptions shall be uniform in percentage on all callable shares.

(5) The Bank shall determine the place for any payment under this article provided that, until the first meeting of its Board of Governors provided in article 66 of this Agreement, the payment of the first instalment referred to in paragraph (1) of this article shall be made to the Trustee referred to in article 66.

### *Article 8*

#### SPECIAL FUNDS

(1) The Bank may establish, or be entrusted with the administration of, Special Funds which are designed to serve its purpose and come within its functions. It may receive, hold, use, commit or otherwise dispose of resources appertaining to such Special Funds.

(2) The resources of such Special Funds shall be kept separate and apart from the ordinary capital resources of the Bank in accordance with the provisions of article 11 of this Agreement.

(3) The Bank shall adopt such special rules and regulations as may be required for the administration and use of each Special Fund, provided always that :

(a) Such special rules and regulations shall be subject to paragraph (4) of article 7, articles 9 to 11, and those provisions of this Agreement which expressly apply to the ordinary capital resources or ordinary operations of the Bank ;

(b) Such special rules and regulations must be consistent with provisions of this Agreement which expressly apply to special resources or special operations of the Bank ; and that

(c) Where such special rules and regulations do not apply, the Special Funds shall be governed by the provisions of this Agreement.

#### *Article 9*

##### ORDINARY CAPITAL RESOURCES

For the purposes of this Agreement, the expression “ ordinary capital resources ” of the Bank shall include :

(a) Authorized capital stock of the Bank subscribed pursuant to the provisions of article 6 of this Agreement ;

(b) Funds raised by borrowing of the Bank, by virtue of powers conferred in paragraph (a) of article 23 of this Agreement, to which the commitment to calls provided for in paragraph (4) or article 7 of this Agreement applies ;

(c) Funds received in repayment of loans made with the resources referred to in paragraphs (a) and (b) of this article ; and

(d) Income derived from loans made from the aforementioned funds ; income from guarantees to which the commitment to calls provided for in paragraph (4) of article 7 of this Agreement applies ; as well as

(e) Any other funds or income received by the Bank which do not form part of its special resources.

#### *Article 10*

##### SPECIAL RESOURCES

(1) For the purposes of this Agreement, the expression “ special resources ” shall refer to the resources of Special Funds and shall include :

(a) Resources initially contributed to any Special Fund ;

(b) Funds borrowed for the purposes of any Special Fund, including the Special Fund provided for in paragraph (6) of article 24 of this Agreement;

(c) Funds repaid in respect of loans or guarantees financed from the resources of any Special Fund which, under the rules and regulations governing that Special Fund, are received by that Special Fund;

(d) Income derived from operations of the Bank by which any of the aforementioned resources or funds are used or committed if, under the rules and regulations governing the Special Fund concerned, that income accrues to the said Special Fund; and

(e) Any other resources at the disposal of any Special Fund.

(2) For the purposes of this Agreement, the expression "special resources appertaining to a Special Fund" shall include the resources, funds and income which are referred to in the preceding paragraph and are—as the case may be—contributed to, borrowed or received by, accruing to, or at the disposal of the Special Fund concerned in conformity with the rules and regulations governing that Special Fund.

### *Article 11*

#### SEPARATION OF RESOURCES

(1) The ordinary capital resources of the Bank shall at all times and in all respects be held, used, committed, invested or otherwise disposed of, entirely separate from special resources. Each Special Fund, its resources and accounts shall be kept entirely separate from other Special Funds, their resources and accounts.

(2) The ordinary capital resources of the Bank shall under no circumstances be charged with, or used to discharge, losses or liabilities arising out of operations or other activities of any Special Fund. Special resources appertaining to any Special Fund shall under no circumstances be charged with, or used to discharge, losses or liabilities arising out of operations or other activities of the Bank financed from its ordinary capital resources or from special resources appertaining to any other Special Fund.

(3) In the operations and other activities of any Special Fund, the liability of the Bank shall be limited to the special resources appertaining to that Special Fund which are at the disposal of the Bank.



CHAPTER III  
OPERATIONS

*Article 12*

USE OF RESOURCES

The resources and facilities of the Bank shall be used exclusively to implement the purpose and functions set forth in articles 1 and 2 of this Agreement.

*Article 13*

ORDINARY AND SPECIAL OPERATIONS

(1) The operations of the Bank shall consist of ordinary operations and of special operations.

(2) The ordinary operations shall be those financed from the ordinary capital resources of the Bank.

(3) The special operations shall be those financed from the special resources.

(4) The financial statements of the Bank shall show the ordinary operations and the special operations of the Bank separately. The Bank shall adopt such other rules and regulations as may be required to ensure the effective separation of the two types of its operations.

(5) Expenses appertaining directly to ordinary operations shall be charged to the ordinary capital resources of the Bank; expenses appertaining directly to special operations shall be charged to the appropriate special resources. Other expenses shall be charged as the Bank shall determine.

*Article 14*

RECIPIENTS AND METHODS OF OPERATIONS

(1) In its operations, the Bank may provide or facilitate financing for any member, political sub-division or any agency thereof or for any institution or undertaking in the territory of any member as well as for international or regional agencies or institutions concerned with the development of Africa. Subject to the provisions of this chapter, the Bank may carry out its operations in any of the following ways :

- (a) By making or participating in direct loans out of :
- (i) Funds corresponding to its unimpaired subscribed paid-up capital and, except as provided in article 20 of this Agreement, to its reserves and undistributed surplus; or out of

(ii) Funds corresponding to special resources; or

(b) By making or participating in direct loans out of funds borrowed or otherwise acquired by the Bank for inclusion in its ordinary capital resources or in special resources; or

(c) By investment of funds referred to in sub-paragraph (a) or (b) of this paragraph in the equity capital of an undertaking or institution; or

(d) By guaranteeing, in whole or in part, loans made by others.

(2) The provisions of this Agreement applying to direct loans which the Bank may make pursuant to sub-paragraph (a) or (b) of the preceding paragraph shall also apply to its participation in any direct loan undertaken pursuant to any of those sub-paragraphs. Equally, the provisions of this Agreement applying to guarantees of loans undertaken by the Bank pursuant to sub-paragraph (d) of the preceding paragraph shall apply where the Bank guarantees part of such a loan only.

### Article 15

#### LIMITATIONS ON OPERATIONS

(1) The total amount outstanding in respect of the ordinary operations of the Bank shall not at any time exceed the total amount of its unimpaired subscribed capital, reserves and surplus included in its ordinary capital resources excepting, however, the special reserve provided for in article 20 of this Agreement.

(2) The total amount outstanding in respect of the special operations of the Bank relating to any Special Fund shall not at any time exceed the total amount of the unimpaired special resources appertaining to that Special Fund.

(3) In the case of loans made out of funds borrowed by the Bank to which the commitment to calls provided for in paragraph (4) (a) of article 7 of this Agreement applies, the total amount of principal outstanding and payable to the Bank in a specific currency shall not at any time exceed the total amount of principal outstanding in respect of funds borrowed by the Bank that are payable in the same currency.

(4) (a) In the case of investments made by virtue of paragraph (1) (c) of article 14 of this Agreement out of the ordinary capital resources of the Bank, the total amount outstanding shall not at any time exceed ten per cent of the aggregate amount of the paid-up capital stock of the Bank together with the reserves and surplus included in its ordinary capital resources excepting, however, the special reserve provided for in article 20 of this Agreement.

(b) At the time it is made, the amount of any specific investment referred to in the preceding sub-paragraph shall not exceed a percentage of equity capital of the institution or undertaking concerned, which the Board of Governors shall have fixed for any investment to be made by virtue of paragraph (1) (c) of

article 14 of this Agreement. In no event shall the Bank seek to obtain by such an investment a controlling interest in the institution or undertaking concerned.

### *Article 16*

#### PROVISION OF CURRENCIES FOR DIRECT LOANS

In making direct loans, the Bank shall furnish the borrower with currencies other than the currency of the member in whose territory the project concerned is to be carried out (the latter currency hereinafter to be called "local currency"), which are required to meet foreign exchange expenditure on that project; provided always that the Bank may, in making direct loans, provide financing to meet local expenditure on the project concerned :

(a) Where it can do so by supplying local currency without selling any of its holdings in gold or convertible currencies; or

(b) Where in the opinion of the Bank local expenditure on that project is likely to cause undue loss or strain on the balance of payments of the country where that project is to be carried out and the amount of such financing by the Bank does not exceed a reasonable portion of the total local expenditure incurred on that project.

### *Article 17*

#### OPERATIONAL PRINCIPLES

(1) The operations of the Bank shall be conducted in accordance with the following principles :

(a) (i) The operations of the Bank shall, except in special circumstances provide for the financing of specific projects, or groups of projects, particularly those forming part of a national or regional development programme urgently required for the economic or social development of its members. They may, however, include global loans to, or guarantees of loans made to, African national development banks or other suitable institutions, in order that the latter may finance projects of a specified type serving the purpose of the Bank within the respective fields of activities of such banks or institutions;

(ii) In selecting suitable projects, the Bank shall always be guided by the provisions of paragraph (1) (a) of article (2) of this Agreement and by the potential contribution of the project concerned to the purpose of the Bank rather than

by the type of the project. It shall, however, pay special attention to the selection of suitable multinational projects;

(b) The Bank shall not provide for the financing of a project in the territory of a member if that member objects thereto;

(c) The Bank shall not provide for the financing of a project to the extent that in its opinion the recipient may obtain the finance or facilities elsewhere on terms that the Bank considers are reasonable for the recipient;

(d) Subject to the provisions of articles 16 and 24 of this Agreement, the Bank shall not impose conditions enjoining that the proceeds of any financing undertaken pursuant to its ordinary operations shall be spent in the territory of any particular country nor that such proceeds shall not be spent in the territory of any particular country;

(e) In making or guaranteeing a loan, the Bank shall pay due regard to the prospects that the borrower and the guarantor, if any, will be in a position to meet their obligations under the loan;

(f) In making or guaranteeing a loan, the Bank shall be satisfied that the rate of interest and other charges are reasonable and such rate, charges and the schedule for the repayment of principal are appropriate for the project concerned;

(g) In the case of a direct loan made by the bank, the borrower shall be permitted by the Bank to draw its funds only to meet expenditure in connexion with the project as it is actually incurred;

(h) The Bank shall make arrangements to ensure that the proceeds of any loan made or guaranteed by it are used only for the purposes for which the loan was granted, with due attention to considerations of economy and efficiency;

(i) The Bank shall seek to maintain a reasonable diversification in its investments in equity capital;

(j) The Bank shall apply sound banking principles to its operations and, in particular, to its investments in equity capital. It shall not assume responsibility for managing any institution or undertaking in which it has an investment; and

(k) In guaranteeing a loan made by other investors, the Bank shall receive suitable compensation for its risk.

(2) The Bank shall adopt such rules and regulations as are required for the consideration of projects submitted to it.

### *Article 18*

#### TERMS AND CONDITIONS FOR DIRECT LOANS AND GUARANTEES

(1) In the case of direct loans made by the Bank, the contract :

(a) Shall establish, in conformity with the operational principles set forth in paragraph (1) of article 17 of this Agreement and subject to the other provisions of this chapter, all the terms and conditions for the loan concerned, including those relating to amortization, interest and other charges, and to maturities and dates of payment; and, in particular,

(b) Shall provide that—subject to paragraph (3) (c) of this article—payments to the Bank of amortization, interest, commission and other charges shall be made in the currency loaned, unless—in the case of a direct loan made as part of special operations—the rules and regulations provide otherwise.

(2) In the case of loans guaranteed by the Bank, the contract of guarantee :

(a) Shall establish, in conformity with the operational principles set forth in paragraph (1) of article 17 of this Agreement and subject to the other provisions of this chapter, all the terms and conditions of the guarantee concerned including those relating to the fees, commission, and other charges of the Bank; and, in particular,

(b) Shall provide that—subject to paragraph (3) (c) of this article—all payments to the Bank under the guarantee contract shall be made in the currency loaned, unless—in the case of a loan guaranteed as part of special operations—the rules and regulations provide otherwise; and

(c) Shall also provide that the Bank may terminate its liability with respect to interest if, upon default by the borrower and the guarantor, if any, the Bank offers to purchase, at par and interest accrued to a date designated in the offer, the bonds or other obligations guaranteed.

(3) In the case of direct loans made or loans guaranteed by the Bank, the Bank :

(a) In determining the terms and conditions for the operation, shall take due account of the terms and conditions on which the corresponding funds were obtained by the Bank;

(b) Where the recipient is not a member, may, when it deems it advisable, require that the member in whose territory the project concerned is to be carried out, or a public agency or institution of that member acceptable to the Bank, guarantee the repayment of the principal and the payment of interest and other charges on the loan;

(c) Shall expressly state the currency in which all payments to the Bank under the contract concerned shall be made. At the option of the borrower, however, such payments may always be made in gold or convertible currency or, subject to the agreement of the Bank, in any other currency; and

(d) May attach such other terms or conditions, as it deems appropriate, taking into account both the interest of the member directly concerned in the project and the interests of the members as a whole.

*Article 19*

## COMMISSION AND FEES

(1) The Bank shall charge a commission on direct loans made and guarantees given as part of its ordinary operations. This commission, payable periodically, shall be computed on the amount outstanding on each loan or guarantee and shall be at the rate of not less than one per cent per annum, unless the Bank, after the first ten years of its operations, decides to change this minimum rate by a majority of two-thirds of its members representing not less than three-quarters of the total voting power of the members.

(2) In guaranteeing a loan as part of its ordinary operations, the Bank shall charge a guarantee fee, at a rate determined by the Board of Directors, payable periodically on the amount of the loan outstanding.

(3) Other charges of the Bank in its ordinary operations and the commission, fees and other charges in its special operations shall be determined by the Board of Directors.

*Article 20*

## SPECIAL RESERVE

The amount of commissions received by the Bank pursuant to article 19 of this Agreement shall be set aside as a special reserve which shall be kept for meeting liabilities of the Bank in accordance with its article 21. The special reserve shall be held in such liquid form, permitted under this Agreement, as the Board of Directors may decide.

*Article 21*

## METHODS OF MEETING LIABILITIES OF THE BANK (ORDINARY OPERATIONS)

(1) Whenever necessary to meet contractual payments of interest, other charges or amortization on the borrowing of the Bank, or to meet its liabilities with respect to similar payments in respect of loans guaranteed by it and chargeable to its ordinary capital resources, the Bank may call an appropriate amount of the unpaid subscribed callable capital in accordance with paragraph (4) of article 7 of this Agreement.

(2) In cases of default in respect of a loan made out of borrowed funds or guaranteed by the Bank as part of its ordinary operations, the Bank may, if it believes that the default may be of long duration, call an additional amount of such callable capital not to exceed in any one year one per cent of the total subscriptions of the members, for the following purposes :

(a) To redeem before maturity, or otherwise discharge, its liability on all or part of the outstanding principal of any loan guaranteed by it in respect of which the debtor is in default; and

(b) To repurchase, or otherwise discharge, its liability on all or part of its own outstanding borrowing.

### *Article 22*

#### METHODS OF MEETING LIABILITIES ON BORROWINGS FOR SPECIAL FUNDS

Payments in satisfaction of any liability in respect of borrowings of funds for inclusion in the special resources appertaining to a Special Fund shall be charged :

- (i) First, against any reserve established for this purpose for or within the Special Fund concerned; and
- (ii) Then, against any other assets available in the special resources appertaining to that Special Fund.

#### CHAPTER IV

#### BORROWING AND OTHER ADDITIONAL POWERS

### *Article 23*

#### GENERAL POWERS

In addition to the powers provided elsewhere in this Agreement, the Bank shall have power to :

(a) Borrow funds in member countries or elsewhere, and in that connexion to furnish such collateral or other security as it shall determine provided always that :

- (i) Before making a sale of its obligations in the market of a member, the Bank shall have obtained its approval;
- (ii) Where the obligations of the Bank are to be denominated in the currency of a member, the Bank shall have obtained its approval; and
- (iii) Where the funds to be borrowed are to be included in its ordinary capital resources, the Bank shall have obtained, where appropriate, the approval of the members referred to in sub-paragraphs (i) and (ii) of this paragraph that the proceeds may be exchanged for any other currency without any restrictions;

(b) Buy and sell securities the Bank has issued or guaranteed or in which it has invested provided always that it shall have obtained the approval of any member in whose territory the securities are to be bought or sold;

(c) Guarantee or underwrite securities in which it has invested in order to facilitate their sale;

(d) Invest funds not needed in its operations in such obligations as it may determine and invest funds held by the Bank for pensions or similar purposes in marketable securities;

(e) Undertake activities incidental to its operations such as, among others, the promotion of consortia for financing which serves the purpose of the Bank and comes within its functions;

(f) (i) Provide all technical advice and assistance which serve its purpose and come within its functions; and

(ii) Where expenditure incurred by such a service is not reimbursed, charge the net income of the Bank therewith and, in the first five years of its operations use up to one per cent of its paid-up capital on such expenditure; provided always that the total expenditure of the Bank on such services in each year of that period does not exceed one-fifth of that percentage; and

(g) Exercise such other powers as shall be necessary or desirable in furtherance of its purpose and functions, consistent with the provisions of this Agreement.

#### *Article 24*

##### SPECIAL BORROWING POWERS

(1) The Bank may request any member to loan amounts of its currency to the Bank in order to finance expenditure in respect of goods or services produced in the territory of that member for the purpose of a project to be carried out in the territory of another member.

(2) Unless the member concerned invokes economic and financial difficulties which, in its opinion, are likely to be provoked or aggravated by the granting of such a loan to the Bank, that member shall comply with the request of the Bank. The loan shall be made for a period to be agreed with the Bank, which shall be in relation to the duration of the project which the proceeds of that loan are designed to finance.

(3) Unless the member agrees otherwise, the aggregate amount outstanding in respect of its loans made to the Bank pursuant to this article shall not, at any time, exceed the equivalent of the amount of its subscription to the capital stock of the Bank.

(4) Loans to the Bank made pursuant to this article shall bear interest, payable by the Bank to the lending member, at a rate which shall correspond



to the average rate of interest paid by the Bank on its borrowings for Special Funds during a period of one year preceding the conclusion of the loan agreement. This rate shall in no event exceed a maximum rate which the Board of Governors shall determine from time to time.

(5) The Bank shall repay the loan, and pay the interest due in respect thereof, in the currency of the lending member or in a currency acceptable to the latter.

(6) All resources obtained by the Bank by virtue of the provisions of this article shall constitute a Special Fund.

#### *Article 25*

##### WARNING TO BE PLACED ON SECURITIES

Every security issued or guaranteed by the Bank shall bear on its face a conspicuous statement to the effect that it is not an obligation of any government unless it is in fact the obligation of a particular government in which case it shall so state.

#### *Article 26*

##### VALUATION OF CURRENCIES AND DETERMINATION OF CONVERTIBILITY

Whenever it shall become necessary under this Agreement :

- (i) To value any currency in terms of another currency, in terms of gold or of the unit of account defined in paragraph (1) (b) of article 5 of this Agreement, or
- (ii) To determine whether any currency is convertible,

such valuation or determination, as the case may be, shall be reasonably made by the Bank after consultation with the International Monetary Fund.

#### *Article 27*

##### USE OF CURRENCIES

(1) Members may not maintain or impose any restrictions on the holding or use by the Bank or by any recipient from the Bank, for payments anywhere, of the following :

(a) Gold or convertible currencies received by the Bank in payment of subscriptions to the capital stock of the Bank from its members;

(b) Currencies of members purchased with the gold or convertible currencies referred to in the preceding sub-paragraph;

(c) Currencies obtained by the Bank by borrowing, pursuant to paragraph (a) of article 23 of this Agreement, for inclusion in its ordinary capital resources;

(d) Gold or currencies received by the Bank in payment on account of principal, interest, dividends or other charges in respect of loans or investments made out of any of the funds referred to in sub-paragraphs (a) to (c) or in payment of commissions or fees in respect of guarantees issued by the Bank; and

(e) Currencies, other than its own, received by a member from the Bank in distribution of the net income of the Bank in accordance with article 42 of this Agreement.

(2) Members may not maintain or impose any restrictions on the holding or use by the Bank or by any recipient from the Bank, for payments anywhere, of currency of a member received by the Bank which does not come within the provisions of the preceding paragraph, unless :

(a) That member declares that it desires the use of such currency to be restricted to payments for goods or services produced in its territory; or

(b) Such currency forms part of the special resources of the Bank and its use is subject to special rules and regulations.

(3) Members may not maintain or impose any restrictions on the holding or use by the Bank, for making amortization or anticipatory payments or for repurchasing—in whole or in part—its obligations, of currencies received by the Bank in repayment of direct loans made out of its ordinary capital resources.

(4) The Bank shall not use gold or currencies which it holds for the purchase of other currencies of its members except :

(a) In order to meet its existing obligations; or

(b) Pursuant to a decision of the Board of Directors adopted by a two-thirds majority of the total voting power of the members.

### Article 28

#### MAINTENANCE OF VALUE OF THE CURRENCY HOLDINGS OF THE BANK

(1) Whenever the par value of the currency of a member is reduced in terms of the unit of account defined in paragraph (1) (b) of article 5 of this Agreement, or its foreign exchange value has, in the opinion of the Bank, depreciated to a significant extent, that member shall pay to the Bank within a reasonable time an amount of its currency required to maintain the value of all such currency held by the Bank, excepting currency derived by the Bank from its borrowing.

(2) Whenever the par value of the currency of a member is increased in terms of the said unit of account, or its foreign exchange value has, in the opinion

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of the Bank, ~~depreciated~~ <sup>appreciated</sup> to a significant extent, the Bank shall pay to that member within a reasonable time an amount of that currency required to adjust the value of all such currency held by the Bank, excepting currency derived by the Bank from its borrowing.

(3) The Bank may waive the provisions of this article where a uniform proportionate change in the par value of the currencies of all its members takes place.

#### CHAPTER V

### ORGANIZATION AND MANAGEMENT

#### Article 29

##### BOARD OF GOVERNORS : POWERS

(1) All the powers of the Bank shall be vested in the Board of Governors. In particular, the Board shall issue general directives concerning the credit policy of the Bank.

(2) The Board of Governors may delegate to the Board of Directors all its powers except the power to :

(a) Decrease the authorized capital stock of the Bank;

(b) Establish or accept the administration of Special Funds;

(c) Authorize the conclusion of general arrangements for co-operation with the authorities of African countries which have not yet attained independent status or of general agreements for co-operation with African Governments which have not yet acquired membership of the Bank, as well as of such agreements with other Governments and with other international organizations;

(d) Determine the remuneration of directors and their alternates;

(e) Select outside auditors to certify the General Balance Sheet and the Statement of Profit and Loss of the Bank and to select such other experts as may be necessary to examine and report on the general management of the Bank;

(f) Approve, after reviewing the report of the auditors, the General Balance Sheet and Statement of Profit and Loss of the Bank; and

(g) Exercise such other powers as are expressly provided for that Board in this Agreement.

(3) The Board of Governors shall retain full powers to exercise authority over any matter delegated to the Board of Directors pursuant to paragraph (2) of this article.

*Article 30*

## BOARD OF GOVERNORS : COMPOSITION

(1) Each member shall be represented on the Board of Governors and shall appoint one governor and one alternate governor. They shall be persons of the highest competence and wide experience in economic and financial matters and shall be nationals of the member States. Each governor and alternate shall serve for five years, subject to termination of appointment at any time, or to reappointment, at the pleasure of the appointing member. No alternate may vote except in the absence of his principal. At its annual meeting, the Board shall designate one of the governors as Chairman who shall hold office until the election of the Chairman at the next annual meeting of the Board.

(2) Governors and alternates shall serve as such without remuneration from the Bank, but the Bank may pay them reasonable expenses incurred in attending meetings.

*Article 31*

## BOARD OF GOVERNORS : PROCEDURE

(1) The Board of Governors shall hold an annual meeting and such other meetings as may be provided for by the Board or called by the Board of Directors. Meetings of the Board of Governors shall be called, by the Board of Directors, whenever requested by five members of the Bank, or by members having one-quarter of the total voting power of the members.

(2) A quorum for any meeting of the Board of Governors shall be a majority of the total number of governors or their alternates, representing not less than two-thirds of the total voting power of the members.

(3) The Board of Governors may by regulation establish a procedure whereby the Board of Directors may, when it deems such action advisable, obtain a vote of the governors on a specific question without calling a meeting of the Board.

(4) The Board of Governors, and the Board of Directors to the extent authorized, may establish such subsidiary bodies and adopt such rules and regulations as may be necessary or appropriate to conduct the business of the Bank.

*Article 32*

## BOARD OF DIRECTORS : POWERS

Without prejudice to the powers of the Board of Governors as provided in article 29 of this Agreement, the Board of Directors shall be responsible for

the conduct of the general operations of the Bank and for this purpose shall, in addition to the powers provided for it expressly in this Agreement, exercise all the powers delegated to it by the Board of Governors, and in particular :

(a) Elect the President and, on his recommendation, one or more Vice-Presidents of the Bank and determine their terms of service;

(b) Prepare the work of the Board of Governors;

(c) In conformity with the general directives of the Board of Governors, take decisions concerning particular direct loans, guarantees, investments in equity capital and borrowing of funds by the Bank;

(d) Determine the rates of interest for direct loans and of commissions for guarantees;

(e) Submit the accounts for each financial year and an annual report for approval to the Board of Governors at each annual meeting; and

(f) Determine the general structure of the services of the Bank.

### Article 33

#### BOARD OF DIRECTORS : COMPOSITION

(1) The Board of Directors shall be composed of nine members who shall not be governors or alternate governors. They shall be elected by the Board of Governors in accordance with annex B<sup>1</sup> to this Agreement, which shall form an integral part thereof. In electing the Board of Directors, the Board of Governors shall have due regard to the high competence in economic and financial matters required for the office.

(2) Each director shall appoint an alternate who shall act for him when he is not present. Directors and their alternates shall be nationals of member States; but no alternate may be of the same nationality as his director. An alternate may participate in meetings of the Board but may vote only when he is acting in place of his director.

(3) Directors shall be elected for a term of three years and may be re-elected. They shall continue in office until their successors are elected. If the office of a director becomes vacant more than 180 days before the end of his term, a successor shall be elected in accordance with annex B to this Agreement, for the remainder of the term by the Board of Governors at its next session. While the office remains vacant the alternate of the former director shall exercise the powers of the latter except that of appointing an alternate.

<sup>1</sup> See p. 116 of this volume.

*Article 34*

## BOARD OF DIRECTORS : PROCEDURE

(1) The Board of Directors shall function in continuous session at the principal office of the Bank and shall meet as often as the business of the Bank may require.

(2) A quorum for any meeting of the Board of Directors shall be a majority of the total number of directors representing not less than two-thirds of the total voting power of the members.

(3) The Board of Governors shall adopt regulations under which, if there is no director of its nationality, a member may be represented at a meeting of the Board of Directors when a request made by, or a matter particularly affecting, that member is under consideration.

*Article 35*

## VOTING

(1) Each member shall have 625 votes and, in addition, one vote for each share of the capital stock of the Bank held by that member.

(2) In voting in the Board of Governors, each governor shall be entitled to cast the votes of the member he represents. Except as otherwise expressly provided in this Agreement, all matters before the Board of Governors shall be decided by a majority of the voting power represented at the meeting.

(3) In voting in the Board of Directors, each director shall be entitled to cast the number of votes that counted towards his election, which votes shall be cast as a unit. Except as otherwise provided in this Agreement, all matters before the Board of Directors shall be decided by a majority of the voting power represented at the meeting.

*Article 36*

## THE PRESIDENT : APPOINTMENT

The Board of Directors, by a majority of the total voting power of the members, shall elect the President of the Bank. He shall be a person of the highest competence in matters pertaining to the activities, management and administration of the Bank and shall be a national of a member State. While holding office, neither he nor any Vice-President shall be a governor or a director or alternate for either. The term of office of the President shall be five years.

It may be renewed. He shall, however, cease to hold office if the Board of Directors so decides by a two-thirds majority of the voting power of the members.

### *Article 37*

#### THE OFFICE OF THE PRESIDENT

(1) The President shall be Chairman of the Board of Directors but shall have no vote except a deciding vote in case of an equal division. He may participate in meetings of the Board of Governors but shall not vote.

(2) The President shall be chief of the staff of the Bank and shall conduct, under the direction of the Board of Directors, the current business of the Bank. He shall be responsible for the organization of the officers and staff of the Bank whom he shall appoint and release in accordance with regulations adopted by the Bank. He shall fix the terms of their employment in accordance with rules of sound management and financial policy.

(3) The President shall be the legal representative of the Bank.

(4) The Bank shall adopt regulations which shall determine who shall legally represent the Bank and perform the other duties of the President in the event that he is absent or that his office should become vacant.

(5) In appointing the officers and staff, the President shall make it his foremost consideration to secure the highest standards of efficiency, technical competence and integrity. He shall pay full regard to the recruitment of personnel among nationals of African countries, especially as far as senior posts of an executive nature are concerned. He shall recruit them on as wide a geographical basis as possible.

### *Article 38*

#### PROHIBITION OF POLITICAL ACTIVITY; THE INTERNATIONAL CHARACTER OF THE BANK

(1) The Bank shall not accept loans or assistance that could in any way prejudice, limit, deflect or otherwise alter its purpose or functions.

(2) The Bank, its President, Vice-Presidents, officers and staff shall not interfere in the political affairs of any member; nor shall they be influenced in their decisions by the political character of the member concerned. Only economic considerations shall be relevant to their decisions. Such considerations

shall be weighed impartially in order to achieve and carry out the functions of the Bank.

(3) The President, Vice-Presidents, officers and staff of the Bank, in discharge of their offices, owe their duty entirely to the Bank and to no other authority. Each member of the Bank shall respect the international character of this duty and shall refrain from all attempts to influence any of them in the discharge of their duties.

### *Article 39*

#### OFFICE OF THE BANK

(1) The principal office of the Bank shall be located in the territory of a member State. The choice of the location of the principal office of the Bank shall be made by the Board of Governors at its first meeting, taking into account the availability of facilities for the proper functioning of the Bank.

(2) Notwithstanding the provisions of article 35 of this Agreement, the choice of the location of the principal office of the Bank shall be made by the Board of Governors in accordance with the conditions that applied to the adoption of this Agreement.

(3) The Bank may establish branch offices or agencies elsewhere.

### *Article 40*

#### CHANNEL OF COMMUNICATIONS; DEPOSITORIES

(1) Each member shall designate an appropriate authority with which the Bank may communicate in connexion with any matter arising under this Agreement.

(2) Each member shall designate its central bank or such other institution as may be agreed by the Bank, as a depository with which the Bank may keep its holdings of currency of that member as well as other assets of the Bank.

(3) The Bank may hold its assets, including gold and convertible currencies, with such depositories as the Board of Directors shall determine.

### *Article 41*

#### PUBLICATION OF THE AGREEMENT, WORKING LANGUAGES, PROVISION OF INFORMATION AND REPORTS

(1) The Bank shall endeavour to make available the text of this Agreement and all its important documents in the principal languages used in Africa. The working languages of the Bank shall be, if possible, African languages, English and French.



(2) Members shall furnish the Bank with all information it may request of them in order to facilitate the performance of its functions.

(3) The Bank shall publish and transmit to its members an annual report containing an audited statement of the accounts. It shall also transmit quarterly to the members a summary statement of its financial position and a profit and loss statement showing the results of its operations. The Annual Report and the Quarterly Statements shall be drawn up in accordance with the provisions of paragraph (4) of article 13 of this Agreement.

(4) The Bank may also publish such other reports as it deems desirable to carry out its purpose and functions. They shall be transmitted to the members of the Bank.

### *Article 42*

#### ALLOCATION OF NET INCOME

(1) The Board of Governors shall determine annually what part of the net income of the Bank, including the net income accruing to its Special Funds, shall be allocated—after making provision for reserves—to surplus and what part, if any, shall be distributed.

(2) The distribution referred to in the preceding paragraph shall be made in proportion to the number of shares held by each member.

(3) Payments shall be made in such manner and in such currency as the Board of Governors shall determine.

#### CHAPTER VI

### WITHDRAWAL AND SUSPENSION OF MEMBERS; TEMPORARY SUSPENSION AND TERMINATION OF OPERATIONS OF THE BANK

### *Article 43*

#### WITHDRAWAL

(1) Any member may withdraw from the Bank at any time by transmitting a notice in writing to the Bank at its principal office.

(2) Withdrawal by a member shall become effective on the date specified in its notice but in no event less than six months after the date that notice has been received by the Bank.

*Article 44*

## SUSPENSION

(1) If it appears to the Board of Directors that a member fails to fulfil any of its obligations to the Bank, that member shall be suspended by that Board unless the Board of Governors at a subsequent meeting, called by the Board of Directors for that purpose, decides otherwise by a decision taken by a majority of the governors exercising a majority of the total voting power of the members.

(2) A member so suspended shall automatically cease to be a member of the Bank one year from the date of suspension unless a decision is taken by the Board of Governors by the same majority to restore the member to good standing.

(3) While under suspension, a member shall not be entitled to exercise any rights under this Agreement, except the right of withdrawal, but shall remain subject to all obligations.

*Article 45*

## SETTLEMENT OF ACCOUNTS

(1) After the date on which a State ceases to be a member (hereinafter in this article called the "termination date"), the member shall remain liable for its direct obligations to the Bank and for its contingent liabilities to the Bank so long as any part of the loans or guarantees contracted before the termination date is outstanding; but it shall cease to incur liabilities with respect to loans and guarantees entered into thereafter by the Bank and to share either in the income or the expenses of the Bank.

(2) At the time a State ceases to be a member, the Bank shall arrange for the repurchase of its shares as a part of the settlement of accounts with that State in accordance with the provisions of paragraphs (3) and (4) of this article. For this purpose, the repurchase price of the shares shall be the value shown by the books of the Bank on the termination date.

(3) The payment for shares repurchased by the Bank under this article shall be governed by the following conditions :

(a) Any amount due to the State concerned for its shares shall be withheld so long as that State, its central Bank or any of its agencies remains liable, as borrower or guarantor, to the Bank and such amount may, at the option of the Bank, be applied on any such liability as it matures. No amount shall be withheld on account of the liability of the State resulting from its subscription for shares in accordance with paragraph (4) of article 7 of this Agreement. In

any event, no amount due to a member for its shares shall be paid until six months after the termination date.

(b) Payments for shares may be made from time to time, upon their surrender by the Government of the State concerned, to the extent by which the amount due as the repurchase price in accordance with paragraph (2) of this article exceeds the aggregate amount of liabilities on loans and guarantees referred to in sub-paragraph (a) of this paragraph until the former member has received the full repurchase price.

(c) Payments shall be made in the currency of the State receiving payment or, if such currency is not available, in gold or convertible currency.

(d) If losses are sustained by the Bank on any guarantees or loans which were outstanding on the termination date and the amount of such losses exceeds the amount of the reserve provided against losses on that date, the State concerned shall repay, upon demand, the amount by which the repurchase price of its shares would have been reduced, if the losses had been taken into account when the repurchase price was determined. In addition, the former member shall remain liable on any call for unpaid subscriptions in accordance with paragraph (4) of article 7 of this Agreement, to the extent that it would have been required to respond if the impairment of capital had occurred and the call had been made at the time the repurchase price of its shares was determined.

(4) If the Bank terminates its operations pursuant to article 47 of this Agreement within six months of the termination date, all rights of the State concerned shall be determined in accordance with the provisions of its articles 47 to 49.

#### *Article 46*

##### TEMPORARY SUSPENSION OF OPERATIONS

In an emergency, the Board of Directors may suspend temporarily operations in respect of new loans and guarantees pending an opportunity for further consideration and action by the Board of Governors.

#### *Article 47*

##### TERMINATION OF OPERATIONS

(1) The Bank may terminate its operations in respect of new loans and guarantees by a decision of the Board of Governors exercising a majority of the total voting power of the members.

(2) After such termination, the Bank shall forthwith cease all activities, except those incident to the orderly realization, conservation and preservation of its assets and settlement of its obligations.

#### Article 48

##### LIABILITY OF MEMBERS AND PAYMENT OF CLAIMS

(1) In the event of termination of the operations of the Bank, the liability of all members for uncalled subscriptions to the capital stock of the Bank and in respect of the depreciation of their currencies shall continue until all claims of creditors, including all contingent claims, shall have been discharged.

(2) All creditors holding direct claims shall be paid out of the assets of the Bank and then out of payments to the Bank on calls on unpaid subscriptions. Before making any payments to creditors holding direct claims, the Board of Directors shall make such arrangements as are necessary, in its judgement, to ensure a *pro rata* distribution among holders of direct and contingent claims.

#### Article 49

##### DISTRIBUTION OF ASSETS

(1) In the event of termination of operations of the Bank, no distribution shall be made to members on account of their subscriptions to the capital stock of the Bank until :

(i) All liabilities to creditors have been discharged or provided for; and

(ii) The Board of Governors has taken a decision to make a distribution. This decision shall be taken by the Board exercising a majority of the total voting power of the members.

(2) After a decision to make a distribution has been taken in accordance with the preceding paragraph, the Board of Directors may by a two-thirds majority vote make successive distributions of the assets of the Bank to members until all assets have been distributed. This distribution shall be subject to the prior settlement of all outstanding claims of the Bank against each member.

(3) Before any distribution of assets is made, the Board of Directors shall fix the proportionate share of each member according to the ratio of its shareholding to the total outstanding shares of the Bank.

(4) The Board of Directors shall value the assets to be distributed at the date of distribution and then proceed to distribute in the following manner :

(a) There shall be paid to each member in its own obligations or those of its official agencies or legal entities within its territories, to the extent that they are available for distribution, an amount equivalent in value to its proportionate share of the total amount to be distributed.

(b) Any balance due to a member after payment has been made in accordance with the preceding sub-paragraph shall be paid in its currency, to the extent that it is held by the Bank, up to an amount equivalent in value to such balance.

(c) Any balance due to a member after payment has been made in accordance with sub-paragraphs (a) and (b) of this paragraph shall be paid in gold or currency acceptable to that member, to the extent that they are held by the Bank, up to an amount equivalent in value to such balance.

(d) Any remaining assets held by the Bank after payments have been made to members in accordance with sub-paragraphs (a) to (c) of this paragraph shall be distributed *pro rata* among the members.

(5) Any member receiving assets distributed by the Bank in accordance with the preceding paragraph shall enjoy the same rights with respect to such assets as the Bank enjoyed before their distribution.

## CHAPTER VII

### STATUS, IMMUNITIES, EXEMPTIONS AND PRIVILEGES

#### *Article 50*

##### STATUS

To enable it to fulfil its purpose and the functions with which it is entrusted, the Bank shall possess full international personality. To those ends, it may enter into agreements with members, non-member States and other international organizations. To the same ends, the status, immunities, exemptions and privileges set forth in this chapter shall be accorded to the Bank in the territory of each member.

#### *Article 51*

##### STATUS IN MEMBER COUNTRIES

In the territory of each member the Bank shall possess full juridical personality and, in particular, full capacity :

(a) To contract;

- (b) To acquire and dispose of immovable and movable property; and
- (c) To institute legal proceedings.

### *Article 52*

#### JUDICIAL PROCEEDINGS

(1) The Bank shall enjoy immunity from every form of legal process, except in cases arising out of the exercise of its borrowing powers when it may be sued only in a court of competent jurisdiction in the territory of a member in which the Bank has its principal office, or in the territory of a member or non-member State where it has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members.

(2) The property and assets of the Bank shall, wherever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgement against the Bank.

### *Article 53*

#### IMMUNITY OF ASSETS AND ARCHIVES

(1) Property and assets of the Bank, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of taking or foreclosure by executive or legislative action.

(2) The archives of the Bank and, in general, all documents belonging to it, or held by it, shall be inviolable, wherever located.

### *Article 54*

#### FREEDOM OF ASSETS FROM RESTRICTION

To the extent necessary to carry out the purpose and functions of the Bank and subject to the provisions of this Agreement, all property and other assets of the Bank shall be exempt from restrictions, regulations, controls and moratoria of any nature.

### *Article 55*

#### PRIVILEGE FOR COMMUNICATIONS

Official communications of the Bank shall be accorded by each member the same treatment that it accords to the official communications of other members.

*Article 56*

## PERSONAL IMMUNITIES AND PRIVILEGES

(1) All governors, directors, alternates, officers and employees of the Bank :

- (i) Shall be immune from legal process with respect to acts performed by them in their official capacity;
- (ii) Where they are not local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations, and the same facilities as regards exchange regulations as are accorded by members to the representatives, officials and employees of comparable rank of other members; and
- (iii) Shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

6. (2) Experts and consultants performing missions for the Bank shall be accorded such immunities and privileges as are, in the opinion of the Bank, necessary for the independent exercise of their functions during the period of their mission, including the time spent on journeys in connexion therewith.

*Article 57*

## EXEMPTION FROM TAXATION

(1) The Bank, its property, other assets, income and its operations and transactions shall be exempt from all taxation and from all customs duties. The Bank shall also be exempt from any obligation relating to the payment, withholding or collection of any tax or duty.

(2) No tax shall be levied on or in respect of salaries and emoluments paid by the Bank to directors, alternates, officers and other professional staff of the Bank.

(3) No tax of any kind shall be levied on any obligation or security issued by the Bank, including any dividend or interest thereon, by whomsoever held :

- (i) Which discriminates against such obligation or security solely because it is issued by the Bank; or
- (ii) If the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Bank.

(4) No tax of any kind shall be levied on any obligation or security guaranteed by the Bank, including any dividend or interest thereon, by whomsoever held :

- (i) Which discriminates against such obligation or security solely because it is guaranteed by the Bank; or
- (ii) If the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Bank.

### *Article 58*

#### NOTIFICATION OF IMPLEMENTATION

Each member shall promptly inform the Bank of the specific action which it has taken to make effective in its territory the provisions of this chapter.

### *Article 59*

#### APPLICATION OF IMMUNITIES, EXEMPTIONS AND PRIVILEGES

The immunities, exemptions and privileges provided in this chapter are granted in the interests of the Bank. The Board of Directors may waive, to such extent and upon such conditions as it may determine, the immunities and exemptions provided in articles 52, 54, 56, and 57 of this Agreement in cases where its action would in its opinion further the interests of the Bank. The President shall have the right and the duty to waive the immunity of any official in cases where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of the Bank.

#### CHAPTER VIII

#### AMENDMENTS, INTERPRETATION, ARBITRATION

### *Article 60*

#### AMENDMENTS

(1) Any proposal to introduce modifications to this Agreement, whether emanating from a member, a governor or the Board of Directors, shall be communicated to the Chairman of the Board of Governors, who shall bring the proposal before that Board. If the proposed amendment is approved by the Board, the Bank shall, by circular letter or telegram, ask the members whether they accept the proposed amendment. When two-thirds of the members, having three-quarters of the total voting power of the members, have accepted the proposed amendment, the Bank shall certify the fact by formal communication addressed to the members.

(2) Notwithstanding paragraph (1) of this article, acceptance by all the members is required for any amendment modifying :



- (i) The right secured by paragraph (2) of article 6 of this Agreement;
- (ii) The limitation on liability provided in paragraph (5) of that article; and
- (iii) The right to withdraw from the Bank provided in article 43 of this Agreement.

(3) Amendments shall enter into force for all members three months after the date of the formal communication provided for in paragraph (1) of this article unless the Board of Governors specifies a different period.

(4) Notwithstanding the provisions of paragraph (1) of this article, three years at the latest after the entry into force of this Agreement and in the light of the experience of the Bank, the rule according to which each member should have one vote shall be examined by the Board of Governors or at a meeting of Heads of State of the member countries in accordance with the conditions that applied to the adoption of this Agreement.

### *Article 61*

#### INTERPRETATION

(1) The English and French texts of this Agreement shall be regarded as equally authentic.

(2) Any question of interpretation of the provisions of this Agreement arising between any member and the Bank or between any members of the Bank shall be submitted to the Board of Directors for decision. If there is no director of its nationality on that Board, a member particularly affected by the question under consideration shall be entitled to direct representation in such cases. Such right of representation shall be regulated by the Board of Governors.

(3) In any case where the Board of Directors has given a decision under paragraph (2) of this article, any member may require that the question be referred to the Board of Governors, whose decision shall be sought—under a procedure to be established in accordance with paragraph (3) of article 31 of this Agreement—within three months. That decision shall be final.

### *Article 62*

#### ARBITRATION

In the case of a dispute between the Bank and the Government of a State which has ceased to be a member, or between the Bank and any member upon the termination of the operations of the Bank, such dispute shall be submitted to arbitration by a tribunal of three arbitrators. One of the arbitrators shall be appointed by the Bank, another by the Government of the State concerned, and the third arbitrator, unless the parties otherwise agree, shall be appointed

by such other authority as may have been prescribed by regulations adopted by the Board of Governors. The third arbitrator shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

#### CHAPTER IX

### FINAL PROVISIONS

#### *Article 63*

##### SIGNATURE AND DEPOSIT

(1) This Agreement, deposited with the Secretary-General of the United Nations (hereinafter called the "Depositary"), shall remain open until 31 December 1963 for signature by the Governments of States whose names are set forth in annex A to this Agreement.

(2) The Depositary shall communicate certified copies of this Agreement to all the Signatories.

#### *Article 64*

##### RATIFICATION, ACCEPTANCE, ACCESSION AND ACQUISITION OF MEMBERSHIP

(1) (a) This Agreement shall be subject to ratification or acceptance by the Signatories. Instruments of ratification or acceptance shall be deposited by the Signatory Governments with the Depositary before 1 July 1965. The Depositary shall notify each deposit and the date thereof to the other Signatories.

(b) A State whose instrument of ratification or acceptance is deposited before the date on which this Agreement enters into force shall become a member of the Bank on that date. Any other Signatory which complies with the provisions of the preceding paragraph shall become a member on the date on which its instrument of ratification or acceptance is deposited.

(2) States which do not acquire membership of the Bank in accordance with the provisions of paragraph (1) of this article may become members—after the Agreement has entered into force—by accession thereto on such terms as the Board of Governors shall determine. The Government of any such State shall deposit, on or before a date appointed by that Board, an instrument of accession with the Depositary who shall notify such deposit and the date thereof to the Bank and to the Parties to this Agreement. Upon the deposit, the State shall become member of the Bank on the appointed date.

*Article 65*

## ENTRY INTO FORCE

This Agreement shall enter into force upon the deposit of instruments of ratification or acceptance by twelve signatory Governments whose initial subscriptions, as set forth in annex A to this Agreement, in aggregate comprise not less than sixty-five per cent of the authorized capital stock of the Bank;<sup>1</sup> provided always that 1 January 1964 shall be the earliest date on which this Agreement may enter into force in accordance with the provisions of this article.

*Article 66*

## COMMENCEMENT OF OPERATIONS

(1) As soon as this Agreement enters into force, each member shall appoint a governor, and the Trustee appointed for this purpose and for the purpose indicated in paragraph (5) of article 7 of this Agreement shall call the first meeting of the Board of Governors.

(2) At its first meeting, the Board of Governors :

(a) Shall elect nine directors of the Bank in accordance with paragraph (1) of article 33 of this Agreement; and

(b) Make arrangements for the determination of the date on which the Bank shall commence its operations.

(3) The Bank shall notify its members of the date of the commencement of its operations.

DONE in Khartoum, this fourth day of August nineteen hundred and sixty-three, in a single copy in the English and French languages.

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<sup>1</sup> According to the Memorandum on the interpretation of article 65 of the Agreement, the words "authorized capital stock of the Bank" shall be understood to refer to such authorized capital stock of the Bank as is equivalent to 211.2 million units of account and as corresponds to the aggregate initial number of shares to be subscribed by the States that may acquire its membership in accordance with paragraph (1) of article 64 of the Agreement. For the text of the Memorandum, see p. 124 of this volume.

## ANNEX A

## INITIAL SUBSCRIPTIONS TO THE AUTHORIZED CAPITAL STOCK OF THE BANK

<i>Member</i>	<i>Paid-up shares</i>	<i>Callable shares</i>	<i>Total subscription (in million of units of account)</i>
1. Algeria . . . . .	1,225	1,225	24.50
2. Burundi . . . . .	60	60	1.20
3. Cameroon . . . . .	200	200	4.00
4. Central African Republic . . . . .	50	50	1.00
5. Chad . . . . .	80	80	1.60
6. Congo (Brazzaville) . . . . .	75	75	1.50
7. Congo (Leopoldville) . . . . .	650	650	13.00
8. Dahomey . . . . .	70	70	1.40
9. Ethiopia . . . . .	515	515	10.30
10. Gabon . . . . .	65	65	1.30
11. Ghana . . . . .	640	640	12.80
12. Guinea . . . . .	125	125	2.50
13. Ivory Coast . . . . .	300	300	6.00
14. Kenya . . . . .	300	300	6.00
15. Liberia . . . . .	130	130	2.60
16. Libya . . . . .	95	95	1.90
17. Madagascar . . . . .	260	260	5.20
18. Mali . . . . .	115	115	2.30
19. Mauritania . . . . .	55	55	1.10
20. Morocco . . . . .	755	755	15.10
21. Niger . . . . .	80	80	1.60
22. Nigeria . . . . .	1,205	1,205	24.10
23. Rwanda . . . . .	60	60	1.20
24. Senegal . . . . .	275	275	5.50
25. Sierra Leone . . . . .	105	105	2.10
26. Somalia . . . . .	110	110	2.20
27. Sudan . . . . .	505	505	10.10
28. Tanganyika . . . . .	265	265	5.30
29. Togo . . . . .	50	50	1.00
30. Tunisia . . . . .	345	345	6.90
31. Uganda . . . . .	230	230	4.60
32. U.A.R. (Egypt) . . . . .	1,500	1,500	30.00
33. Upper Volta . . . . .	65	65	1.30

## ANNEX B

## ELECTION OF DIRECTORS

(1) At the election of directors each governor shall cast all votes of the member he represents for a single person.

(2) The nine persons receiving the highest number of votes shall be directors, except that no person who receives less than ten per cent of the total voting power of the members shall be considered as elected.

(3) If nine persons are not elected at the first ballot, a second ballot shall be held in which the person who received the lowest number of votes in the preceding ballot shall be ineligible and in which votes shall be cast only by :

(a) Governors who voted in the preceding ballot for a person who is not elected; and

(b) Governors whose votes for a person who is elected are deemed, in accordance with paragraph 4 of this annex, to have raised the votes for that person above twelve per cent of the total voting power of the members.

(4) (a) In determining whether the votes cast by a governor shall be deemed to have raised the total number of votes for any person above twelve per cent, the said twelve per cent shall be deemed to include, first, the votes of the governor casting the highest number of votes for that person, and then, in diminishing order, the votes of each governor casting the next highest number until twelve per cent is attained.

(b) Any governor part of whose votes must be counted in order to raise the votes cast for any person above ten per cent shall be considered as casting all his votes for that person even if the total number of votes cast for that person thereby exceeds twelve per cent.

(5) If, after the second ballot, nine persons are not elected, further ballots shall be held in conformity with the principles laid down on this annex, provided that after eight persons are elected, the ninth may be elected—notwithstanding the provisions of paragraph 2 of this annex—by a simple majority of the remaining votes. All such remaining votes shall be deemed to have counted towards the election of the ninth director.

République Algérienne Démocratique et Populaire :

[*Democratic and Popular Republic of Algeria*]

Lakhdar BRAHIMI

Royaume du Burundi :

[*Kingdom of Burundi*]

Ferdinand BITARIHO

République Fédérale du Cameroun :

[*Federal Republic of Cameroon*]

Charles ONANA AWANA

8 octobre 1963

République Centrafricaine :

[*Central African Republic*]

BORNOU

République du Tchad :

[*Republic of Chad*]

République du Congo (Brazzaville) :

[*Republic of the Congo (Brazzaville)*]

Emmanuel DADET

29 novembre 1963

République du Congo (Léopoldville) :

[*Republic of the Congo (Leopoldville)*]

Cléophas KAMITATU

République du Dahomey :

[*Republic of Dahomey*]

Bertin BORNA

8 octobre 1963

Empire of Ethiopia :

[*Empire d'Ethiopie*]

Yilma DERESSA

République Gabonaise :

[*Gabon Republic*]

Republic of Ghana :

[*République du Ghana*]

F. K. D. GOKA

République de Guinée :

[*Republic of Guinea*]

Elhady DIAWADOU

République de la Côte-d'Ivoire :

[*Republic of the Ivory Coast*]

Jean-Baptiste MOCKEY

Kenya :

James Samuel GICHURU

Republic of Liberia :

[*République du Libéria*]

Charles D. SHERMAN

Kingdom of Libya :

[*Royaume de Libye*]

Aly Jumaa MOUZUGHI

République Malgache :

[*Malagasy Republic*]

République du Mali :

[*Republic of Mali*]

Jean-Marie KONÉ



République Islamique de Mauritanie :

[*Islamic Republic of Mauritania*]

Mohamed LEMINE OULD HAMMONI

Royaume du Maroc :

[*Kingdom of Morocco*]

Ahmed OSMAN

République du Niger :

[*Republic of the Niger*]

Abdou SIDIKOU

25 octobre 1963

Federation of Nigeria :

[*Fédération de Nigéria*]

Festus Sam OKOTIE-EBOH

République du Rwanda :

[*Rwandese Republic*]

Canisius MUDENGE

18 décembre 1963

République du Sénégal :

[*Republic of Senegal*]

Ousmane SOCÉ DIOP

17 décembre 1963

Sierra Leone :

Maigore KALLON

Repubblica Somala :

[*Somali Republic*]

[*République somalie*]

Abdulcadir Mohamed ADEN

The Republic of the Sudan :

[*République du Soudan*]

Abdel MAGID AHMED

Republic of Tanganyika :

[*République du Tanganyika*]

P. BOMANI

République du Togo :

[*Togolese Republic*]

Boukari DJOBO

18 octobre 1963

République Tunisienne :

[*Republic of Tunisia*]

Ahmed BEN SALAH

Uganda :

[*Ouganda*]

Amos KALULE SEMPA

République Arabe Unie :

[*United Arab Republic*]

Ahmed ZINDOU

République de Haute-Volta :

[*Republic of the Upper Volta*]

John BOUREIMA KABORE

21 novembre 1963

## MEMORANDUM ON THE INTERPRETATION OF ARTICLE 65 OF THE AGREEMENT ESTABLISHING THE AFRICAN DEVELOPMENT BANK

*Whereas* the Conference of Finance Ministers on the Establishment of an African Development Bank, held in Khartoum from 31 July to 4 August 1963, has *agreed*, at its closing session held today, that in article 65 of the Agreement establishing the African Development Bank, the text of which Agreement (hereinafter called the "Agreement") was approved by the Conference at that session, the words "authorized capital stock of the Bank" *shall be understood* to refer to such authorized capital stock of that African Development Bank as is equivalent to 211.2 million units of account, defined in paragraph (1) (b) of article 5 of the Agreement, and as corresponds, in aggregate, to the initial number of shares of that Bank to be subscribed by the States that may acquire its membership in accordance with paragraph (1) of article 64 of the Agreement, and

*Whereas* that Conference, at its closing session, has furthermore *agreed* that the Executive Secretary of the United Nations Economic Commission for Africa *shall be authorized* to draw up a Memorandum confirming the aforesaid, which Memorandum shall be attached to the Final Act of the said Conference,

*Now*, I, Robert Kweisu Atta Gardiner, Executive Secretary of the United Nations Economic Commission for Africa, herewith *confirm* that the said Conference *has agreed* to attach to the phrase "authorized capital stock of the Bank" in article 65 of the Agreement the meaning as hereinbefore stated.

IN WITNESS WHEREOF I have signed the present Memorandum at Khartoum this fourth day of August nineteen hundred and sixty-three.

(Signed) Robert Kweisu Atta GARDINER  
Executive Secretary

United Nations Economic Commission for Africa